

## Rule 1 26/1.54

The Insolvency Act 1986

Notice to Registrar of Companies of  
Supervisor's Progress Report**R.1.26A(4)(a)/  
R.1.54****Pursuant to Rule 1 26A(4)(a) or  
Rule 1 54 of the Insolvency Rules  
1986**

To the Registrar of Companies

For Official Use

--	--	--

Company Number

04856621

Name of Company

(a) Insert full name of

Eaglecrest Care Management Limited

(b) Insert full name and  
Address

I/We Jamie Taylor  
002748  
Begbies Traynor (Central) LLP  
The Old Exchange  
234 Southchurch Road  
Southend on Sea  
Essex  
SS1 2EG

Wayne Macpherson  
009445  
Begbies Traynor (Central) LLP  
The Old Exchange  
234 Southchurch Road  
Southend on Sea  
Essex  
SS1 2EG

(c) Insert date

supervisors of a voluntary arrangement taking effect on

(c) 16 September 2010,

Attach our progress report for the period

(c) 16 September 2010

to

(c) 15 September 2011

Number of continuation sheets (if any) attached 0

Signed

Date

15 November 2011

Presenter's name, address  
and reference

EA014CVA  
Begbies Traynor (Central) LLP  
The Old Exchange  
234 Southchurch Road  
Southend on Sea  
SS1 2EG

For Official Use

Liquidation Section

Post Room

COMPANIES HOUSE

THURSDAY



A14

17/11/2011

402

COMPANIES HOUSE

Jamie Taylor and Wayne Macpherson appointed joint supervisors on 16 September 2010

---

# **EAGLECREST CARE MANAGEMENT LIMITED**

## **(Company Voluntary Arrangement)**

---

Final Report  
pursuant to Rule 1 29 of The Insolvency Rules 1986

16 September 2010 to 15 November 2011

Incorporating an Annual Report  
pursuant to Rule 1 26 of The Insolvency Rules 1986

16 September 2010 to 15 September 2011

---

### **Contents**

- Interpretation
- Relevant Information
- Introduction
- Final Report
- Receipts and Payments Account
- Review of the Arrangement and the Company's compliance with the terms approved by creditors
- Outcome for creditors
- Supervisors' remuneration and disbursements
- Conclusion
- Vacation of office
- Appendices
  - 1 Joint supervisors' account of receipts and payments
  - 2 Joint supervisors' time costs analysis
  - 3 Begbies Traynor (Central) LLP's charge-out rates and disbursements policy

## 1 INTERPRETATION

"the Company"	Eaglecrest Care Management Limited
"the Supervisors" "we/us/our"	Jamie Taylor and Wayne Macpherson, both of Begbies Traynor (Central) LLP, The Old Exchange, 234 Southchurch Road, Southend on Sea, Essex, SS1 2EG
"the Arrangement"	The terms of the Proposal, Standard Conditions and any modifications (and/or variations) agreed by the Company's creditors
"the Act"	The Insolvency Act 1986 (as amended)
"the Rules"	The Insolvency Rules 1986 (as amended)
"secured creditor" "unsecured creditor"	Secured creditor, in relation to a company, means a creditor of the company who holds in respect of his debt a security over property of the company, and "unsecured creditor" is to be read accordingly (Section 248(1)(a) of the Act)
"security"	(i) In relation to England and Wales, any mortgage, charge, lien or other security (Section 248(1)(b)(i) of the Act), and  (ii) In relation to Scotland, any security (whether heritable or moveable), any floating charge and any right of lien or preference and any right of retention (other than a right of compensation or set off) (Section 248(1)(b)(ii) of the Act)

## 2. RELEVANT INFORMATION

Name of Company	Eaglecrest Care Management Limited
Trading name(s)	Longwood Lodge, The Shires and Wyndham House
Date of Incorporation	05 August 2003
Company registered number	04856621
Company registered office	Lynton House, 7/12 Tavistock Square, London, WC1H 9BQ
Commencement of the Arrangement	16 September 2010
Duration of the Arrangement	60 months or such period, which in the opinion of the Supervisors, is required to effect these proposals
Main provisions of the Arrangement	Monthly contributions of £2,500 per month for the duration of the arrangement,
Variations to the Arrangement	None
Dividend(s) paid to creditors	First and final dividend of 3 61 pence in the pound declared with this report

## 3 INTRODUCTION

- 3 1 Creditors will be aware that the Company was placed into Administration on 17 August 2011 which resulted in failure of the arrangement. At that time, the arrangement was in receipt of funds and the Supervisors gave notice of their intention to declare a first and final dividend. The Supervisors were unable to terminate the arrangement until the funds had been distributed.
- 3 2 We are in a position to issue a Notice of Termination of the Arrangement which confirms the conclusion of the Company's voluntary arrangement. Please find the relevant notice enclosed with this report.

- 3 3 Rule 1 29(2) of the Rules requires that on final completion or termination of the Arrangement, we are to send a report to the creditors and members of the Company who are bound by the Arrangement summarising all receipts and payments made by us in pursuance of the Arrangement. We are also required to explain any departure from the Proposal as it originally took effect or explain the reasons why the Arrangement has terminated.

## 4 FINAL REPORT

- 4 1 This is our final report. It gives an overview of the work undertaken and realisations made over the entire course of the Arrangement.
- 4 2 This report should be read in conjunction with the Director's Proposal for a Company Voluntary Arrangement.

## 5 RECEIPTS AND PAYMENTS ACCOUNT

- 5 1 Please find at Appendix 1 an account which shows all of the receipts and payments during the course of the Arrangement. It also shows the receipts and payments since our last progress report so that creditors and members are aware of sums received into and paid out of the Arrangement during that period. We have set out below an explanation of those receipts and payments.

### 5 2 Receipts

#### Monthly Contributions

During the period, the Company paid 10 monthly contributions equating to £25,000.

#### Bank Interest (Net and Gross)

The only other receipts during the arrangement have been interest on funds held in a deposit account.

### 5 3 Payments

#### Nominees' Fees and Expenses

The sum of £500 was outstanding in respect of the Nominees' fee and £48.40 in respect of Nominees' Disbursements. These costs have been discharged in full during the period.

#### Supervisors' Fees and Expenses

Please see section 8.

#### Statutory Advertising

This relates to the advertisement of the Supervisors' Notice of intention to declare a first and final dividend in the arrangement.

We trust the remaining payments are self-explanatory.

## 6 REVIEW OF THE ARRANGEMENT AND THE COMPANY'S COMPLIANCE

- 6 1 You will recall that the terms of the Arrangement, as varied by creditors, provided for the following:
- Monthly contributions of £2,500 for the tenure of the arrangement,
  - A review of the Company's profit and loss every 12 months and an increase in monthly contributions of not less than 50% of any rise in the net profit after provision of tax,
  - A sale of Wyndham House within 12 months of the arrangement being approved,
  - The duration of the arrangement shall be 60 months or such period, which in the opinion of the Supervisors, is required to effect these proposals. However, the arrangement shall not exceed 63 months without prior approval of a 75% majority in value of creditors.
- 6 2 During the period, the Company paid 10 monthly contributions which equated to £25,000. The Company was adhering to the terms of the arrangement but was placed into Administration on 17 August 2011 pursuant to paragraph 14 to schedule B1 of the Insolvency Act 1986 (appointment by the holder of a qualifying floating charge).

- 6 3 The terms and conditions of the voluntary arrangement provide for its immediate failure following the Company being placed into administration or liquidation

## 7 OUTCOME FOR CREDITORS

- 7 1 The sum owed to creditors at the date of our appointment was estimated to be £287,942 (excluding the Director's Loan Account for which the Director had agreed to waive any claim in the arrangement)
- 7 2 Agreed creditors in the arrangement as at 02 November 2011 total £291,231 61 to whom a dividend of £10,499 99 was declared on said date. The dividend equated to a return of 3 61 pence in the pound (calculated to 9 decimal places but rounded to 2 decimal places)
- 7 3 The Director's Proposal for a CVA provided for a cumulative return of 46 54 pence in the pound, but this has not been possible due to the early failure of the arrangement

## 8 SUPERVISORS' REMUNERATION AND DISBURSEMENTS

- 8 1 Our remuneration was fixed by reference to the time properly given by us (as Supervisors) and the various grades of our staff calculated at the prevailing hourly charge out rates of Begbies Traynor (Central) LLP for attending to matters arising in the Arrangement and we are authorised to draw disbursements, including disbursements for services provided by our firm (defined as category 2 disbursements in Statement of Insolvency Practice 9) in accordance with our firm's policy, details of which are attached at Appendix 2 of this report
- 8 2 Our time costs for the arrangement amount to £12,035 which represents 55 40 hours at an average rate of £217 24 per hour. An analysis of time costs incurred in this period and prepared in accordance with Statement of Insolvency Practice 9 is attached at Appendix 2 showing the number of hours spent by each grade of staff on the different types of work involved in the case, and giving the average hourly rate charged for each work type. The Time Costs Analysis is accompanied by a narrative explaining the work undertaken during the period of the analysis. It is intended that the Time Costs Analysis, narrative of time costs and the information contained in this report will provide sufficient information to enable the body responsible for the approval of our fees to consider the level of those fees in the context of the case
- 8 3 We confirm that since the Commencement Date of the Arrangement we have drawn the total sum of £10,396 73 plus VAT by way of remuneration plus disbursements of £1,064 74. These are our fees and disbursements for the entire administration of the Arrangement. An analysis of time costs incurred for the entire duration of the Arrangement and prepared in accordance with Statement of Insolvency Practice 9 is attached at Appendix 2 showing the number of hours spent by each grade of staff on the different types of work involved in the case, and giving the average hourly rate charged for each work type
- 8 4 The following further information in relation to our time costs and disbursements is set out at Appendix 3
- Begbies Traynor (Central) LLP's charge-out rates and policy for re-charging disbursements
- 8 5 There have been no Category 2 disbursements charged to this case
- 8 6 Creditors will recall that our remuneration was estimated in the Company's Proposal at £15,000. Creditors will note that our total remuneration is within the estimate provided

## 9 CONCLUSION

- 9 1 We trust creditors will find this report self explanatory and any further matters should now be taken up the Company's Administrators, details of which are as follows

Andrew Stoneman and Sarah Bell  
MCR  
The Chancery  
58 Spring Gardens  
Manchester  
M2 1EW

t 01618 279 000  
f 01618 279 001  
e [manchester@mcr.uk.com](mailto:manchester@mcr.uk.com)

9.2 Please find enclosed a Notice of termination of the arrangement for your records

## 9. VACATION OF OFFICE

In accordance with Rule 1.29(3) we must not vacate the office of Supervisor until we have sent a copy of the Notice of Termination of the arrangement and a copy of this report to the Registrar of Companies and the Court. We confirm that we have done so today as a result of which we will be ceasing to act as Supervisors immediately.



**Jamie Taylor**  
Joint Supervisor

15 November 2011

APPENDIX 1

ACCOUNT OF RECEIPTS AND PAYMENTS FOR THE PERIOD.  
16 SEPTEMBER 2010 TO 15 SEPTEMBER 2011

Statement of Affairs		From 16/09/2010 To 15/09/2011	From 16/09/2010 To 15/09/2011
	ASSET REALISATIONS		
150,000 00	Monthly Contributions	25,000 00	25,000 00
	Bank Interest Net of Tax	2 29	2 29
		<u>25,002 29</u>	<u>25,002 29</u>
	COST OF REALISATIONS		
	Nominees' Expenses	48 40	48 40
15,000 00	Supervisors' Fees	9,012 00	9,012 00
1,000 00	Supervisors' Expenses	1,043 54	1,043 54
	Bank Charges	14 26	14 26
		<u>(10,118 20)</u>	<u>(10,118 20)</u>
		<u><b>14,884 09</b></u>	<u><b>14,884 09</b></u>
	REPRESENTED BY		
	Vat Receivable		2,020 79
	Bank 1 Current		261 01
	Bank 1 Deposit		12,602 29
			<u><b>14,884 09</b></u>

## APPENDIX 1

ACCOUNT OF RECEIPTS AND PAYMENTS FOR THE ENTIRE ARRANGEMENT  
16 SEPTEMBER 2010 TO 15 NOVEMBER 2011

Statement of Affairs		£	£
	ASSET REALISATIONS		
150,000 00	Monthly Contributions	25,000 00	
	Bank Interest Gross	2 37	
	Bank Interest Net of Tax	2 29	
			25,004 66
	COST OF REALISATIONS		
	Nominees' Fees	500 00	
	Nominees' Expenses	48 40	
15,000 00	Supervisors' Fees	10,396 73	
1,000 00	Supervisors' Expenses	1,064 74	
	Statutory Advertising	63 50	
	Bank Charges	16 62	
	VAT Non-Recoverable (Not VAT Registered)	2,414 68	
			(14,504 67)
	UNSECURED CREDITORS		
	Trade & Expense Creditors	3,613 72	
	HM Revenue and Customs	6,886 27	
			(10,499 99)
			<u>(0 00)</u>
	REPRESENTED BY		
			<u>NIL</u>



## JOINT SUPERVISORS' TIME COSTS ANALYSIS

## Eaglecrest Care Management Limited Time Cost Analysis For The Period 16 September 2010 to 15 November 2011

Staff Grade	Partner	Director	Snr Mgr	Mgr	Asst Mgr	Snr Admin	Admin	Jnr Admin	Support	Total Hours	Time cost £	Average hourly rate £
Administration and Planning	1.8	1.1	0.2					9.5		12.60	2,804.50	222.58
	1.6		0.8				12.9		1.1	16.40	3,536.00	215.61
			1.0							1.00	350.00	350.00
Investigations												
Realisation of assets												
	0.7		0.6					2.0		3.30	825.00	250.00
Trading												
Creditors	1.5											
		0.6	2.5					17.5		1.50	675.00	450.00
										20.60	3,844.50	186.63
Other matters												
Total hours by staff grade	5.6	1.7	5.1				12.9	29.0	1.1	55.4		
	2,520.00	671.50	1,834.50				2,352.00	4,485.00	172.00		12,035.00	
	450.00	395.00	359.71				182.33	154.66	156.36			217.24

## BEGBIES TRAYNOR (CENTRAL) LLP'S CHARGE-OUT RATES AND DISBURSEMENTS POLICY

### INTRODUCTION

This note applies where a licensed insolvency practitioner in the firm is acting as an office holder of an insolvent estate and seeks creditor approval to draw remuneration on the basis of the time properly spent in dealing with the case. It also applies where further information is to be provided to creditors regarding the office holder's fees following the passing of a resolution for the office holder to be remunerated on a time cost basis. Best practice guidance<sup>1</sup> requires that such information should be disclosed to those who are responsible for approving remuneration.

In addition, this note applies where creditor approval is sought to make a separate charge by way of expenses or disbursements to recover the cost of facilities provided by the firm and also where payments are to be made to outside parties in which the office holder or his firm or any associate has an interest. Best practice guidance<sup>2</sup> requires that such charges should be disclosed to those who are responsible for approving the office holder's remuneration, together with an explanation of how those charges are calculated.

### OFFICE HOLDER'S FEES IN RESPECT OF THE ADMINISTRATION OF INSOLVENT ESTATES

The office holder has overall responsibility for the administration of the estate. He/she will delegate tasks to members of staff. Such delegation assists the office holder as it allows him/her to deal with the more complex aspects of the case and ensures that work is being carried out at the appropriate level. There are various levels of staff that are employed by the office holder and these appear below.

The firm operates a time recording system which allows staff working on the case along with the office holder to allocate their time to the case. The time is recorded at the individual's hourly rate in force at that time which is detailed below.

### OFFICE HOLDERS' EXPENSES IN RESPECT OF THE ADMINISTRATION OF INSOLVENT ESTATES

Best practice guidance classifies expenses into two broad categories:

- *Category 1 expenses (approval not required)* - specific expenditure that is directly related to the case usually referable to an independent external supplier's invoice. All such items are charged to the case as they are incurred.
- *Category 2 expenses (approval required)* - items of incidental expenditure directly incurred on the case which include an element of shared or allocated cost and which are based on a reasonable method of calculation.

(A) The following items of expenditure are charged to the case (subject to approval)

- Internal meeting room usage for the purpose of statutory meetings of creditors may be charged by some offices and is charged at the rate of £100 (London £150) per meeting. External meeting room usage is charged at cost.
- Car mileage is charged at the rate of 45 pence per mile.
- *Expenses which should be treated as Category 2 expenses (approval required)* - in addition to the 2 categories referred to above, best practice guidance indicates that where payments are made to outside parties in which the office holder or his firm or any associate has an interest these should be treated as Category 2 expenses. The

following items of expenditure which relate to services provided by an entity within the Begbies Traynor Group are to be charged to the case (subject to approval)

- Storage of books and records (when not rechargeable as a *Category 1 expense*) is charged by Archive Facilities (Southend) Limited, an associated company. The rates applying as at the date of this report are: Minimum charge of £33 per quarter for up to three boxes, Four to Two Hundred Boxes charged at £9.90 per quarter per box, over two hundred boxes are charged at half the aforementioned price, (£4.95 per box per quarter). Mileage for collection of books and records is charged at 55p per mile. Provision of cardboard box charged at £2.75 per box. Where Archive Facilities (Southend) Limited are required to physically pack the books and records, there is a minimum charge of 2 hours at £15 per hour per person required, and at £15 per hour for each hour thereafter. All figures stated are net.

- BTG Asset Consulting may be engaged to undertake valuations and/or disposal of assets. BTG Asset Consulting is a part of Begbies Traynor Group plc and is therefore an associated company. Their charges are based on 15% of realisations or time costs at a Partner rate of £125 per hour and Manager rate of £100 per hour. A separate charge will be levied for any valuations to be provided at a fixed fee of £500 + VAT. Disbursements are charged at cost and mileage is recovered at 40p per mile. All figures stated are net of VAT.

(B) The following items of expenditure will normally be treated as general office overheads and will not be charged to the case although a charge may be made where the precise cost to the case can be determined because the item satisfies the test of a *Category 1 expense*:

- Telephone and facsimile
- Printing and photocopying
- Stationery

### BEGBIES TRAYNOR CHARGE-OUT RATES

Begbies Traynor is a national firm. The rates charged by the various grades of staff that may work on a case are set nationally, but vary to suit local market conditions. The rates applying to the Southend-on-Sea office are as follows:

Charge-out Rate (£ per hour)	
Grade of staff	From 01 May 2011
Partner	495
Partner 2	N/A
Director	395
Senior Manager	365
Manager	315
Assistant Manager	270
Senior Administrator	235
Administrator	185
Junior Administrator	160
Support	160
	01 July 2008 to 01 May 2011
Partner	450
Partner 2	395
Director	375
Senior Manager	350
Manager	300
Assistant Manager	250
Senior Administrator	220
Administrator	180
Junior Administrator	150
Support	150

Time spent by support staff for carrying out shorter tasks, such as typing or dealing with post, is not charged to cases but is carried as an overhead. Only where a significant amount of time is spent at one time on a case is a charge made for support staff. Time is recorded in units of 0.10 of an hour (i.e. 6 minute units).

<sup>1</sup> Statement of Insolvency Practice 9 (SIP 9) - Remuneration of insolvency office holders in England & Wales (Effective 1 April 2007)  
<sup>2</sup> Statement of Insolvency Practice 8 (SIP 8) - Remuneration of insolvency office holders in England & Wales (Effective 1 April 2007)